



"To enrich lives through effective and caring service"



Santos H. Kreimann
Director

Kerry Silverstrom
Chief Deputy

August 30, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

23 August 30, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Dear Supervisors:

**APPROVAL OF AMENDMENT NO. 1 TO LEASE NO. 76494 TO EXTEND THE
TERM AND ALLOW FOR TERMINATION UPON MUTUAL AGREEMENT
SANTA MONICA WINDJAMMERS YACHT CLUB
(PARCEL 47 AT 13589 MINDANAO WAY)-MARINA DEL REY
(FOURTH DISTRICT) (4 VOTES)**

SUBJECT

This Board letter requests approval of a Marina del Rey lease amendment for Parcel 47 (Santa Monica Windjammers Yacht Club) that extends the lease term, allows the option of cancellation of the lease by the Club and the Director and authorizes the Director to extend the lease term.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Find that the proposed Lease Amendment No. 1 to Lease No. 76494 is categorically exempt under the California Environmental Quality Act pursuant to Class 1(r) of the County's Environmental Document Reporting Procedures and Guidelines.
2. Approve and authorize the Mayor to sign the attached Amendment No. 1 to Lease No. 76494 that adjusts the lease term from five years to eight years ending March 24, 2016, allows early termination of the lease and authorizes three extension periods of one year each to the lease.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On March 11, 2008, your Board approved a five-year lease that allowed the Santa Monica Windjammers Yacht Club (Yacht Club) to occupy its current facility. As the lease presumes the

County will accommodate the Yacht Club in a replacement facility in the proposed expansion of Chace Park, yet the expansion project is not currently scheduled, the Yacht Club and the Department of Beaches and Harbors (Department) have agreed on a three-year extension so the lease will expire on the day preceding the eighth anniversary or March 24, 2016.

Additionally, the Department and the Yacht Club have agreed to amend the early termination provision in the lease so it is effective only when both parties mutually agree to terminate the lease.

Finally, Amendment No. 1 also authorizes the Director of the Department the option to further extend the lease term for three periods for one year each.

Implementation of Strategic Plan Goals

The recommended action will allow the lessee to remain in its present leasehold to serve Yacht Club members, which will result in fulfillment of Goal 3, "Community and Municipal Services", Strategy 1, "Cultural and Recreational Enrichment". The action will also allow the County to develop its economic plan to expand and enhance Chace Park, including developing a replacement facility for the Yacht Club, which will result in fulfillment of approved Strategic Plan Goal 1, "Operational Effectiveness", Strategy 1, "Fiscal Sustainability".

FISCAL IMPACT/FINANCING

There will be no fiscal impact from your Board's approval of Amendment No. 1.

Operating Budget Impact

There will no operating budget impact as a result of this action.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The existing lease expires on March 24, 2013. The leasehold premises consist of a yacht club facility and docks, and include land, water and improvements shown on Exhibit A (the "Premises Outline") of the existing lease. The Club will continue to rent the building from the County, and the County will continue to manage the parking lot, the promenade and other exterior areas not included in the Premises Outline.

Entering into leases of the County's Marina del Rey real property is authorized by Government Code Sections 25907 and 25536.

The existing lease provides for an early termination upon the County developing a replacement yacht club facility and the commencement of the lease for the facility. The Yacht Club and the Department have clarified the intent of the early termination provision so it would only be effective upon the mutual election of the parties.

This Amendment has been approved as to form by County Counsel. At its meeting of July 13, 2011, the Small Craft Harbor Commission endorsed the Director's recommendation that your Board

approve and execute the Amendment.

ENVIRONMENTAL DOCUMENTATION

Approval of the recommended actions is categorically exempt under the California Environmental Quality Act pursuant to Classes 1(r) of the County's Environmental Document Reporting Procedures and Guidelines. Approval does not authorize construction or reconstruction of any improvements on the parcel.

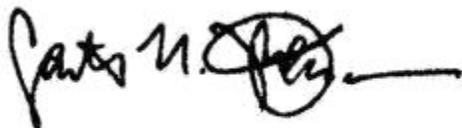
IMPACT ON CURRENT SERVICES (OR PROJECTS)

There will be no impact on current services from your Board's approval of this Amendment.

CONCLUSION

Please have the Mayor sign all three copies of Amendment No. 1 and have the Executive Officer of the Board return two executed copies to the Department of Beaches and Harbors for distribution and one copy of the Board letter.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Santos H. Kreimann", with a horizontal line extending to the right.

SANTOS H. KREIMANN

Director

SHK:KS:GJ:CM:SP

:si

Enclosures

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors

AMENDMENT NO. 1 TO LEASE NO. 76494

PARCEL 47—MARINA DEL REY SMALL CRAFT HARBOR

THIS AMENDMENT TO LEASE is made and entered into this 30th day of August, 2011 (the "Effective Date").

BY AND BETWEEN

COUNTY OF LOS ANGELES
hereinafter referred to as "County,"

AND

SANTA MONICA YACHT CLUB, a
California corporation, dba Santa Monica
Windjammers Yacht Club, hereinafter
referred to as "Tenant."

WITNESSETH:

WHEREAS, County and Tenant entered into Lease No. 76494 dated March 11, 2008, under the terms of which County leased to Tenant that certain real property located in the Marina del Rey Small Craft Harbor, County of Los Angeles, State of California, commonly known as Parcel 47, which leasehold premises (the "Premises") is more particularly described in Exhibit "A" attached to and incorporated in said lease, as amended (the lease and all amendments are collectively hereafter referred to as the "Lease"); and

WHEREAS, Section 2.1 of said Lease provides that the term of the Lease shall be five years commencing March 25, 2008; and

WHEREAS, the parties hereto desire to extend the term of the Lease for additional three years; and

WHEREAS, section 2.2 of said Lease provides for the early termination of the Term when the County develops the Replacement Facility and parties reach agreement upon mutually acceptable terms for the lease to Tenant of space in the Replacement Facility before the Term Expiration Date; and

WHEREAS, the parties hereto desire to amend the early termination provision in the section 2.2 of said Lease so that in addition to the conditions set forth therein the termination will be effective only when the parties mutually elect to terminate the lease; and

WHEREAS, section 2.2 of said Lease further provides for three one-year options to extend the Term under the circumstances when the County develops the Replacement Facility and parties have reached mutually acceptable terms for the lease to Tenant of the space in the Replacement Facility, but the Replacement facility is not ready for Tenant's occupancy by the Term Expiration Date; and

WHEREAS, parties hereto desire to amend the option provision in the section 2.2 of said Lease to authorize the Director of the Department of Beaches and Harbors to exercise his reasonable judgment in extending the Term of this Lease up to three (3) periods of one (1) year each.

NOW, THEREFORE, in consideration of the mutual agreements, covenants and restrictions contained herein, the parties, and each of them, agree as follows:

1. **LEASE TERM.** Commencing as of the Effective Date, Section 2.1 of said Lease shall be deleted in its entirety and the following substituted therefor:

"2.1 **Term.** The term of the Lease ("**Term**") shall commence on March 25, 2008 (the "**Term Commencement Date**") and, unless terminated sooner in accordance with the provisions of this Lease, the Term shall expire at 11:59 p.m. on the day preceding the eighth (8th) anniversary of the Term Commencement Date (the "**Term Expiration Date**"). For purposes of this Lease, "Lease Year" shall mean each year during the Term of this Lease commencing on the Term Commencement Date and each successive anniversary thereof."

2. **EARLY TERMINATION OR EXTENSION OF TERM.** Commencing as of the Effective Date, Section 2.2 of said Lease shall be deleted in its entirety and the following substituted therefor:

"2.2 **Early Termination or Extension of Term in Connection with Replacement Facility.** Landlord intends to pursue consideration of the development of a replacement facility for the future occupancy of Tenant (and

potentially other users) (a "**Replacement Facility**"). Landlord shall take into consideration input from Tenant as to the scope, size and programmatic requirements for such Replacement Facility. The development and lease to Tenant of a Replacement Facility shall be subject to Tenant's compliance with any request for proposal ("**RFP**") process implemented by Landlord for such Replacement Facility. Subject to such RFP process, Landlord and Tenant shall negotiate in good faith to attempt to agree upon mutually acceptable terms for the lease to Tenant of space in the Replacement Facility. If Landlord develops a Replacement Facility and the parties reach agreement upon mutually acceptable terms for the lease to Tenant of space in the Replacement Facility, then Landlord and Tenant may mutually elect to terminate this Lease effective as of the commencement of the term of the new lease to Tenant for the Replacement Facility. If Landlord develops a Replacement Facility and the parties reach agreement upon mutually acceptable terms for the lease to Tenant of space in the Replacement Facility, but the Replacement Facility is not completed for Tenant's occupancy of the Replacement Facility by the Term Expiration Date or if for any other reason Landlord's development of the Replacement Facility is delayed through no fault of Tenant beyond the Term Expiration Date, then, upon Tenant's request, the Director of the Department of Beaches and Harbors (the "Director"), shall have the discretion to extend the Term of this Lease up to three (3) periods of one (1) year each."

3. **MISCELLANEOUS.** Except as herein specifically amended, all terms, conditions and provisions of the Lease shall be and continue to remain in full force and effect and are unmodified, and each of the parties hereto reaffirms and reacknowledges its respective obligations under the Lease as amended hereby.

[SIGNATURES ON NEXT PAGE]

IN WITNESS WHEREOF, County has, by order of its Board of Supervisors, caused this Amendment to Lease to be subscribed by the Mayor of the County and attested by the Executive Officer thereof, and the Tenant, or its duly authorized representative, has executed the same.

I hereby certify that pursuant to Section 25103 of the Government Code, delivery of this document has been made.

SACHI A. HAMAI
Executive Officer
Clerk of the Board of Supervisors



COUNTY OF LOS ANGELES

By: Mike Antonovich
Mayor, County of Los Angeles

By: Lachelle Smitherman
Deputy

ATTEST:

SACHI A. HAMAI
Executive Officer-Clerk of the
Board of Supervisors

By: Lachelle Smitherman
DEPUTY

TENANT:

SANTA MONICA YACHT CLUB

By: Besim Bilman 4-26-2011

Its: BESIM BILMAN - Commodore

By: _____

Its: _____

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By: Andrea Sheridan Ordin
Deputy

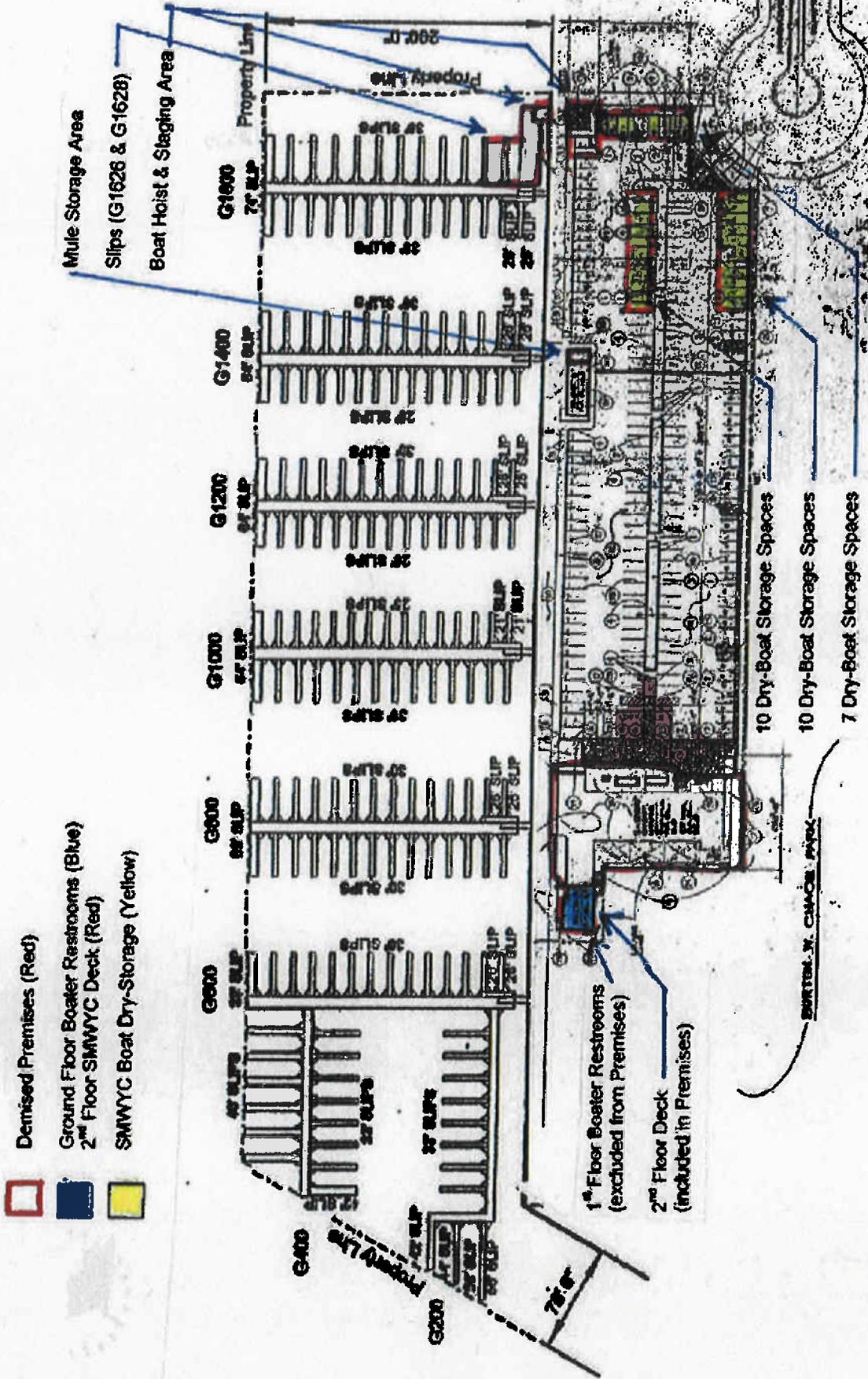
ADOPTED
BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

23 AUG 30 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

76494 Supplement No. 1

EXHIBIT A



DATE: 11/11/08